MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

February 2006

DATA SYSTEMS AND ANALYSIS

Maryland Trauma Physician Services Fund Applications Due

The deadline for submission of the Period 1 2006 Trauma Fund application was January 31, 2006. In preparation for the next submission, staff continued Trauma Fund outreach activities via educational meetings and consultations with individual practices. Staff updated the Trauma Fund informational material, which provide overviews of the application process and describes the type of information needed to receive Trauma Fund reimbursement. The Trauma Physician Roster, which is the central registry of physicians eligible to participate in the Fund, has been updated and now includes over 930 physicians.

Congress passed legislation that freezes the Medicare Fee Schedule at current levels in 2006. Absent Congressional action, Medicare fees paid to physicians were scheduled to decline by 4.5 percent. As uncompensated care reimbursement under the Fund is pegged to the Medicare Fee Schedule, trauma uncompensated care fees will not change in 2006. On-call payments will increase by the change in physician compensation component of the Medicare Economic Index.

Data Base Development Activities

Medical Care Data Base Notification Underway
Staff prepared MCDB 2005 submission data discrepancy reports that will be sent to payers as part of their submission update. Data quality continues to improve for most carriers, although some smaller payers have difficulty providing characteristics about product lines and delivery system. MHCC is seeking to enhance the enrollee information by requiring complete accuracy on the product line coding (small group, large group, and CSHBP) and on delivery system (HMO, PPO, and CDHP). Staff is also aligning several fields with HIPAA transactions standards. Several new data fields will be required for the 2006 MCDB, including enrollment start date and enrollment end date. These variables will be used to calculate utilization rates for preventive and screening measures that can be identified using claim data.

Physician Data Entry Contract Awarded
MHCC has awarded a bid submitted by Delco Data for data entry of paper physician renewal applications. The value of this award is approximately $7,500. This contract covers the 20 percent of physician license applications that were submitted on paper in 2005.

Facility-Level Survey Updates
Ambulatory Surgery
Staff is preparing for the release of the 2005 Freestanding Ambulatory Surgery Survey. This survey gathers information on services provided by more than 200 freestanding ambulatory surgery centers. MHCC contracts with Metro Data of Hunt Valley for development and maintenance of the on-line survey.

Assisted Living Profile
Staff will notify assisted living facilities that new survey data is available on the MHCC website. Facilities will be asked to review data collected through the LTC survey and to update fields that can be changed.

Home Health Agency
Staff has updated the home health statistical profile. Staff continues planning for the development of a home health electronic application for the 2005 home health annual report.

Cost and Quality Analyses

Practitioner Utilization Report Underway
The staff is preparing the ***Practitioner Utilization: Trends within Privately Insured Patients from 2003 to 2004.*** The report, mandated under MHCC's enabling statute, examines payments to physicians and other health care practitioners for care provided to privately insured Maryland residents under age 65. The analyses are based on the health care claims that private health insurance plans submit annually to the Commission as part of the Medical Care Data Base. A key objective of this report is to attempt to quantify the change in professional services used by non-elderly privately insured Maryland residents.

The design of last year's report will be modified for this years' report. Chapter 1 will briefly review the sources of data. Payment for practitioner services — a central focus of previous reports — will be discussed in Chapter 2. This year's report will include a "new" chapter 3 addressing utilization and intensity from the perspective of the Maryland under-age-65 person with private coverage. Cost-sharing is an important barometer of coverage, and can be used to help assess impacts of changes in the depth of insurance coverage over time – this section will be enhanced in Chapter 2. In the past, practitioner reports have addressed the extent of balance billing in Maryland and how payments to nonparticipating providers compare to Medicare payments. The *2004* practitioner report will examine the implications of a hypothetical elimination of the prohibition on provider payments and patient cost-sharing. Finally, the 2004 report will examine whether private payers pay a premium for services and procedures that the Medicare program has deemed to be of relatively high malpractice risk – a topic first introduced last year.

Examination of Insurance Coverage in the Retail Industry
The staff is preparing an issue brief on insurance coverage in the retail industry. Nationally, published data shows that the retail industry has uninsured rates that are higher than non-retail sectors. MHCC will use three years of CPS data to compare rates of insurance in retail against other sectors of the Maryland economy. The analysis will also examine how the Maryland retail industry compares to the pattern of insurance coverage nationwide. The analysis will be restricted to employees that are over 18 and under 65. Staff has restricted the analysis in this way because very young employees are typically covered by a family policy and seniors are covered by Medicare. The Medical Assistance Administration has requested that we complete this analysis.

EDI Programs and Payer Compliance

EDI Initiatives
Staff is finalizing analysis of the dental EDI data that was submitted in June 30, 2005. Staff expects to release the 2005 Dental EDI Review by March 2006. This will be the second dental review published by the Commission. Staff received positive feedback from the dental community on 2004 Dental EDI Review. The review is used by dental payers, dentists, vendors, and dental professional organizations to promote dental EDI, educate dental providers, and justify payer EDI expansion initiatives.

Staff will convene the EDI/HIPAA workgroup to identify issues and plan projects related to the implementation of the National Provider Identifier (NPI). About 23 workgroup members have volunteered to participate in three smaller groups concerning NPI and payer issues, provider operational issues, and CS issues. The groups will meet in early February with the goal of presenting final recommendations to the entire workgroup at the end of March. Staff is finalizing development of an information distribution network that will be used to disseminate the information tools or products that result from the NPI small group meetings. The groups hope to make the final products or tools available to the provider community by the end of April 2006.

EHN Certification & E-Scripting Initiative

Staff is working with payers to identify e-prescribing networks that connect the pharmacy to the PBM and/or the payer. Over the last month, staff has discussed the application process with representatives from SureScripts, AllScripts, RxHub, and ExpressScripts. These networks are working with staff to complete preliminary activities for entering the MHCC candidacy status. These networks expect to finalize their EHNAC accreditation applications and MHCC certification applications by the end of the first quarter of 2006.

Staff is completing EHN certification or renewal for the following networks:

- Passport Communications (certification expires in February 2006),
- M Transaction Services (now in candidacy status),
- NDC Health (renewal).

Staff has forwarded modifications to COMAR 10.25.07 *Electronic Health Network Certification* to the Commission's counsel for review, and hopes to present final recommendations to the Commission in March 2006.

Technology Initiatives

Last month staff explored various contracting options for a Clinical Data Sharing Utility Planning Grant Request for Proposal (RFP). MHCC and HSCRC are working together to develop an RFP which demonstrates that clinical information from disparate sources can be successfully exchanged through a clinical data sharing utility. MHCC and HSCRC plan to request information through the form of a planning grant to assist in the development, deployment, and operation of a regional health information organization (RHIO). Staff plans to meet with representatives from the Department of Budget and Management in January to review contracting options.

Staff sent welcome letters to members of the *Task Force to Study Electronic Health Records* (task force). The letter contained information on the type of work the task force is expected to undertake over the next two years, a first meeting agenda, and a list of participants. The first meeting of the task force was held on January 18th at MHCC. The task force is required to study electronic health records and the current and potential expansion of electronic health record utilization in the state.

Institutional Review Board Activities

Staff is developing a review of 2005 IRB activities that will be sent to IRB board members. These activities included one IRB application from the Johns Hopkins University School of Medicine, and five requests for data from the DC Hospital discharge data limited dataset.

PERFORMANCE AND BENEFITS

Benefits and Analysis

Small Group Market
Comprehensive Standard Health Benefit Plan (CSHBP)
At the December meeting, the Commission approved additional changes to the CSHBP as well as the draft regulations. These changes will be implemented effective July 1, 2006.

Annual Mandated Health Insurance Services Evaluation
Mercer's annual review of proposed mandates (as required under §15-1501 of the Insurance Article) has been submitted to the General Assembly and the Governor's office. At the Commission's request, a transmittal letter summarizing the key findings in the report and outlining the issues posed by each proposed mandate was mailed along with the report. This year's analysis contained a review of three proposed mandates.

Facility Quality and Performance

Hospital Performance
The Hospital Report Card Steering Committee met on January 17th to review the progress made in updating and enhancing the public web site. While significant progress was evident through the presentations made by the contractors (i.e. Delmarva Foundation and Tech Write), there was a general consensus amongst the Steering Committee members that additional enhancements were needed prior to the public unveiling of the new site. Key improvements and additions will focus on (1) refining the use of access mediums (i.e. "portals") for the three designated audiences, (2) adding a disease or procedure search approach for exploring and navigating data and information when comparing hospitals, and (3) including hospital cost data in for comparison reporting. Given the time needed to make and approve these changes, the new roll-out date and associated press conference is projected for June of 2006.

Performance and Benefits staff met with staff from the HSCRC on a few occasions in December and January to begin assessing and planning steps to included hospital cost data in the Hospital Report Card. There are some issues regarding the hospital data as it is currently reported (i.e. "raw", non-adjusted) as well as the contextual language in which the data is presented. Staff from both HSCRC and MHCC will collaborate to make the necessary refinements.

Nursing Home Performance
Following-up on the recommendations made by P&B staff, major improvements were made in the two Nursing Home Survey reports produced by the contractor (Market Decisions, Inc.). Staff reviewed and approved the latest drafts inclusive of both a state-wide report as well a facility report. Staff is now working with the contractor to plan a work-shop in March to disseminate and review the finding of the reports with Nursing Home representatives.

Collaborative
As part of the MHCC contingency, FQ&P staff participated in a presentation and agenda sharing meeting with representatives from the Maryland Patient Safety Center, Maryland Hospital Association and Delmarva in January. The meeting provided an opportunity to discuss progress that the MPSC has made in collecting and assessing hospital safety data and strategies for performance. The MPSC also discussed progress that it has made in the collection of hospital data regarding the prevention of ventilator associated pneumonia, catheter-related blood stream infections, and adverse drug events.
While this baseline data is currently proprietary, initial analysis suggests that there is evidence of credible success amongst the thirty seven (37) hospitals participating in the study. Collaborative opportunities were also discussed regarding the issue of Emergency Room waiting times; an issue of growing concern statewide.

Legislative Action Activities
Staff became involved in response and positioning activities regarding two bills under consideration before the House (HB0058 and HB0078). HB 58 pertains to the collection and public reporting of "Racial Variations" and the development of a "Health Care Disparities Policy Report Card" that involves HMO's, Hospitals, Nursing Homes, and Ambulatory Surgery Facilities. HB 78 mandates the collection and reporting of "Health Care Associated Infection Information" from hospitals as part of the public reporting system of the MHCC. With friendly amendments, the MHCC strongly supports both bills.

HMO Quality and Performance

Distribution of 2005 HMO Publications

Cumulative distribution: Publications released 10/6/05	**10/6/05—1/31/06**	
	Paper	**Web-based**
Measuring the Quality of Maryland HMOs and POS Plans: 2005 Consumer Guide (25,000 printed)	18,274	Downloads =693
2005 Comprehensive Performance Report: Commercial HMOs & Their POS Plans in Maryland (600 printed)	510	Downloads = 386

9th Annual Policy Issues Report (2005 Report Series) – Released January 2006; distribution ends January 2007

Maryland Commercial HMOs & POS Plans: Report to Policy Makers (800 printed)	370	Downloads = 35

Distribution of Publications
During January, HMO Quality & Performance staff completed activities for release of the latest publication in the 2005 report series, *Maryland Commercial HMOs and POS Plans: Report to Policy Makers* (9th Annual Edition). This publication is intended primarily for distribution to the general assembly, which received 176 reference copies. Another 155 copies were mailed to Maryland's public

libraries for retention in their reference sections. Commissioners received a copy of this publication in their information packets at the January meeting. Legislators also received nearly 900 copies of the *2005 Consumer Guide* for distribution to their constituents.

Outreach to academic and public libraries occurred along with the release of the *Policy Makers* report. Staff anticipates a similar level of requests from libraries as in 2005 seeking to replenish inventories of *Consumer Guides* for patron distribution.

HEDIS Audit Activities

The 2006 HEDIS audit had a smooth start with prescribed activities beginning in January. The HEDIS auditor, HealthcareData.com (HDC), received by established deadlines from all plans the programming code each developed to identify all eligible members for inclusion in the CAHPS survey. Plans received auditor approval on their programming codes without exception. Additionally, HDC received and approved the final CAHPS sample frame for all plans. All sample frames were benchmarked against NCQA standards and compared to the HMO/POS percentages originally reported in an information form submitted by the plan.

HDC's auditors began submitting their selections for review of a core set of measures to MHCC for consideration and approval. The core sets for four plans have been approved by staff.

HMO Quality staff collaborated with lead auditors in selecting measures that will undergo the additional validation steps of transaction file analysis and primary source verification. Measures were selected based upon prior year's performance, difficulty of collection, and issues identified in reviewing baseline information. This process will continue into February.

As reported last month, test deck analysis, an automated method of validating programming code, will be performed for the first time on two measures: *Colorectal Cancer Screening* and *Use of Appropriate Medications for People with Asthma (ASM)*. This audit step assures that plans' programming code, the code that is used to generate a measure's rate, has been written correctly.

Four plans, MDIPA, OCI, CIGNA, and Kaiser have completed certification for the *Colorectal Cancer Screening* measure. Aetna reported progress of about 50% completion on the work required to satisfactorily pass testing for this measure. MDIPA and OCI have completed certification for the *ASM* measure, CIGNA is about 50% completed, Kaiser has started work on the measure, and Aetna reported efforts on this measure will begin once receiving approval on the first measure. BlueChoice has not reported any information as to their progress in certifying code for either measure.

PPO Quality Reporting Pilot Project

Activities to study the feasibility of PPO quality reporting, *PPO Quality Performance Evaluation System Pilot Project*, began in January. Division staff developed a nine-month work plan for the implementation of this project. Study participants will be recruited during February and begin meeting on a regular basis until audit activities on a defined set of quality measures begin in July. Staff commenced with drafting preliminary goals, objectives, and working definitions that will undergo further modification during the working sessions.

CAHPS Survey

The Myers Group, the survey contractor, has received sample frames for the seven Maryland HMOs required to report performance results in 2006 and has drawn a random sample for each plan for use in survey administration. Several plans have arranged with the survey contractor to oversample to improve their response rates. Prior to mailing questionnaires, addresses will be verified through a national lookup

and a final review of skip pattern logic performed. The first mailing will occur in mid-February. MHCC staff will be seeded for all mailings to monitor adherence with the schedule.

Special Projects

Implementation of the Reporting & Measures Revalidation Initiative progressed following presentation at the January Commission meeting.

The process of assembling a "Measures" group as specified in the Revalidation work plan has also begun. The Measures group will discuss utility, validity, reliability, value, and ease of collection, for each current measure as well as developing a standard for inclusion of new measures into the guides.

The University of Maryland Baltimore County Center for Health Programs Development and Management (UMBC-CHPDM) has been selected to facilitate the focus groups. The purpose of the focus groups is to elicit feedback on whether the performance guides are achieving their purpose(s), their usefulness to Marylanders, and to suggest further changes/enhancements which could direct future development and format of the guides. A written agreement describing the scope of work with UMBC-CHPDM was developed and several discussions were held to discuss focus group processes.

The Final Report on the Study of Affordability of Health Insurance in Maryland was distributed to legislative committees and placed on the Commission website.

HEALTH RESOURCES

Certificate of Need

Division staff issued fourteen determinations of non-coverage by Certificate of Need (CON) review during January.

Sinai Hospital of Baltimore received a determination of non-coverage by CON review for a capital expenditure for the relocation of its existing Gastro-Intestinal Diagnostic Center from the ground floor to the fourth floor and expanding the number of endoscopy rooms from two to five.
The project's capital cost of $4,595,000 did not require CON review because the hospital committed to not seek a rate increase in excess of $1.5 million for the project during its period of debt service.

The Digestive Health Center of Talbot County also received a determination of non-coverage by CON review for a $686,200 renovation of the endoscopy center, which is below the capital expenditure threshold.

The following facilities received determinations of non-coverage for requests to change licensed bed capacity: Kensington Nursing and Rehab Center (Montgomery County) for the relicensure of 14 temporarily delicensed beds; Cromwell Center (Baltimore County) for the relicensure of 6 of9 temporarily delicensed beds; Knollwood Center (Anne Arundel County) for the relicensure of 12 temporarily delicensed CCF beds; and Clearview Nursing Home (Washington County) to temporarily delicense all 45 CCF beds at the facility for a period of one year.

Determinations of non-coverage by CON review were also issued to Laurel Ambulatory Surgical Center (Anne Arundel County) to establish an ambulatory surgical center (ASC) with 1 non-sterile procedure room and 3 examination/treatment rooms; Ambulatory Surgery Center Development Company to establish an ASC with 2 non-sterile procedure rooms; Musgrove Ear, Nose & Throat, LLC Ambulatory

Surgery Center (Montgomery County) for the addition of Brian Patrick Driscoll, M.D. as an owner of the center; Metropolitan Brachytherapy Associates, LLC (Prince George's County) for it's acquisition by Greenbelt Urology Institute, LLC; and Ambulatory Endoscopy Center of Maryland (also in Prince George's County) for expansion of ownership of the surgery center.

Maple Park Place (Montgomery County) received a determination of noncoverage by CON for the addition of 1 CCF bed; and Buckingham's Choice (Frederick County) received a determination of noncoverage by CON for the addition of 1 CCF bed.

Long Term Care Services

Staff attended Hospice Day in Annapolis on January 18, 2006, an annual event planned by the Hospice Network of Maryland. MHCC Executive Director, Rex Cowdry made a presentation, in addition to a presentation on data characteristics of Maryland hospices by Commission staff.

On January 25, 2006, Staff of the Long Term Care Unit and the Deputy Director, Health Resources met with the Tri-County Health Planning Committee via tele-conference. The Tri-County Health Planning Committee is composed of agencies from Somerset, Wicomico, and Worcester Counties. The presentation included a review of the report entitled *An Analysis of Future Need for Nursing Home Beds in Maryland: 2010.* Discussion focused on policy issues in long term care and the assumptions made in projecting future nursing home bed need.

Staff from the Long Term Care unit attended a conference on end of life care on January 25, 2006. The conference was sponsored by the Robert Wood Johnson Foundation's Changes in Health Care Financing and Organization Initiative to present preliminary results of three studies related to end of life care and hospice services. Attendees included representatives from the Centers of Medicare and Medicaid Services, the Urban Institute, Academy Health, National PACE Association, U.S. Government Accountability Office, and others. The studies previewed included an examination of end of life care services used by individuals who are dually eligible for both Medicare and Medicaid, a comparison of costs for end of life care in fee for service programs versus managed care organizations, and a comparison of whether the Medicare hospice benefit option saves money as compared to non-hospice services in the last several months of life.

Long Term Care staff met with Medicaid and the Office of Planning and Capital Financing, DHMH on January 30, 2006. The purpose of the meeting was to review draft regulations to implement HB 1047, which was passed during the 2005 legislative session. This bill proposes grant funding through the Office of Planning and Capital Financing to county, municipal, or nonprofit nursing homes to permit them to convert to other uses.

Specialized Health Care Services

The Commission has received applications for a primary percutaneous coronary intervention (PCI) waiver from the following C-PORT hospitals in the Baltimore Metropolitan Regional Service Area: Anne Arundel Medical Center, Baltimore Washington Medical Center, Franklin Square Hospital Center, Howard County General Hospital, Johns Hopkins Bayview Medical Center, and St. Agnes Hospital. By February 13th, each hospital will submit additional information identified by the Commission's staff as necessary to determine whether the hospital meets the requirements in the State Health Plan for Cardiac Surgery and Percutaneous Coronary Intervention Services (COMAR 10.24.17). By February 15th, the Atlantic Cardiovascular Patient Outcomes Research Team will provide to the Commission a summary and analysis of the Maryland hospitals' most recent data in the C-PORT primary angioplasty registry.